

Amendments to the Claims:

Please amend the claims as indicated. This listing of claims will replace all prior versions and listings of claims in the application.

Listing of claims:

Claims 1-8 (Canceled)

9. (Previously presented) A steerable drill bit arrangement in which the drill bit is connected to a drill string including a steering component and a stabilizer, the stabilizer being located between the steering component and the drill bit, the steering component having means to move the drill string transversely relative to a borehole in which it is located, in which the stabilizer has an inner part adapted to rotate with the drill string and an outer part adapted to engage the borehole wall, the outer part being rotatable relative to the inner part so that the outer part can remain substantially stationary as the remainder of the stabilizer rotates with the drill string, in which the inner part and the outer part are connected together by bearings, the stabilizer including a reservoir of oil surrounding the bearings, in which the piston is mounted to the outer part so as to be rotatable relative to the inner part, the arrangement having a first sealing means and a second sealing means, the first sealing means engaging the piston and the inner part and allowing relative rotation therebetween, the second sealing means engaging the piston and the outer part and limiting relative rotation therebetween.
10. (Original) An arrangement according to Claim 9 having a third sealing means engaging the piston and the outer part and providing further sealing between the piston and the outer part during reciprocal sliding movement of the piston.

11. (Previously presented) A steerable drill bit arrangement in which the drill bit is connected to a drill string including a steering component and a stabilizer, the stabilizer being located between the steering component and the drill bit, the steering component having means to move the drill string transversely relative to a borehole in which it is located, in which the stabilizer has an inner part adapted to rotate with the drill string and an outer part adapted to engage the borehole wall, the outer part being rotatable relative to the inner part so that the outer part can remain substantially stationary as the remainder of the stabilizer rotates with the drill string, in which the inner part and the outer part are connected together by bearings, the stabilizer including a reservoir of oil surrounding the bearings, in which the reservoir of oil is bordered by at least one movable piston which can act to vary the volume of the reservoir in response to changes in pressure and temperature within the oil, and in which the piston is annular and surrounds a part of the inner part of the stabilizer.

Claims 12-14 (Canceled).